

April 23, 1975

PRESIDENT: At this time the Chair will appoint Senator Dworak, Senator Mills and Senator Koch to escort the Governor to the Chamber.

CLERK: Mr. President Senator Warner asks to be excused until he arrives this afternoon.

PRESIDENT: We will be at ease until the escort committee returns to the Chamber. We have 25 Senior High Students from Waterloo, Nebraska, welcome to the Legislature we are glad to have you here.

SENATOR SAVAGE: Mr. President while we are waiting for the Governor to arrive, I have a sad duty to announce. The death early this morning of Dale McCoy who was a representative of the Transportation Union, and has been one of our friends around here for many years. I don't know when the services will be, they will be Saturday morning, but I thought that the body should be informed of this.

PRESIDENT: Yes, thank you Senator Savage. He was a fine man and he was also my second cousin. Mr. Sergeant at Arms.

SERGEANT AT ARMS: Mr. President, your escort committee now ready to escort his excellency the Governor of the Great State of Nebraska.

PRESIDENT: It give me great pleasure again to introduce to you again for an address the Governor of Nebraska, the Honorable J. James Exon.

GOVERNOR EXON: Mr. President, Mr. Speaker, members of the Legislature, Ladies and Gentlemen. On January 9, and February 14, 1975, I addressed your honorable body and I directed your attention to the severe financial crunch that the Nebraska State Government was experiencing this year. I appealed for restrengthen in spending. Your presented a realistic and a necessary approach to taxation, in order to maintain the States solvency by return to the tax rates in effect way back in 1970. The return to the state tax rates in effect way back then was necessary and those amounts were in the amount of 2½% sales and 13% on the income tax to meet your previously authorized and on-going obligations, much of it over my strenuous objection and a minimum letigimate appropriation for fiscal year 1975-76. Also, taken into consideration at that time, were the critical cash flow problems of the state. In those messages I expressed confidence in Nebraska and in its economy, if we would proceed with reasonable caution. Unfortunately that has not been the case. In those messages I expressed confidence and I also called to your attention some of the specific problems with which we had to come to grips with. All directness today then I am here not to sound an unnecessary alarm but to wring the bell of every Senator and every citizen of this state on spending, it is time to stop, look and to listen. In those two previous messages, while many listened, some did not hear. Others refused to believe. Still others went on their merry spending way, not being detoured by needless restraints or concern for violation of those 1970 tax rates. Those rates